Michigan Department of Transportation

IT Project Managers' Meeting

May 15, 2003

Welcome and Introductions

Introductions   Those in attendance (listed below) introduced themselves.

Chuck Baird	Coleen Hines	Judy Ruszkowski
Jody Bartilson	Vijay Jagdale	Bill Schmidt
Dan Belcher	Jagjit Khanuja	Mia Silver
Jack Benac	Ben Kinsey	Jodi Simon
Kristie Cheadle	Brenda Leonard	Rick Smith
Doug Couto	Laurie McDonough	Scott Thompson
John Dullock	Lynn Nichols	Kathy Urda
Kevin Fox	Jim Normandin	Tyrone Ussery
Undrala Harris	Pete Perala	Fernando Zaldivar
Pat Hibbard		

Doug Couto asked the attendees to indicate for Teri Takai (by a show of hands) whether they were contractors, DIT employees or DOT employees. Other introductory matters where postponed until later in the meeting so that Ms. Takai could begin.

Postponement   The remainder of the welcome and introductions portion of the meeting was postponed until after Ms. Takai spoke.

Special Guest

Teri Takai, Director, MDIT

Ms. Takai began by introducing herself to the group, and providing some background information about herself.

Ms. Takai went on to provide an overview of where the department is now, and what her goals for the department are.

Ms. Takai indicated that a series of meetings that she held for DIT managers ("boot camp") were very helpful to her. The purpose of the meetings was to attempt to get everyone in the organization on the same page, and to help move the department through the cultural changes DIT is facing.

Ms. Takai said that she has learned that DIT was pulled together very quickly without putting processes in place. DIT now needs to develop processes that will work for everyone. DIT will be repairing, cleaning up, and focusing on its clients. It is important that DIT be a valuable service organization. It is also important to safeguard the security of our systems. Agencies look to DIT to protect information for Michigan citizens. Ms. Takai also wants to take good care of DIT employees. She has discovered that employees have not had an opportunity to communicate with management, and that they have been uprooted, with little or no voice about what happened to them. She would like to correct this situation.

One reason for creating DIT was to lower infrastructure costs. Previously, each agency had its own infrastructure and its own standards, but this was expensive. We need to leverage a single set of resources to bring down costs statewide. Furthermore, having a single source of IT services helps facilitate the sharing of information, provides more career opportunities, lets us share best practices. An important focus will be to keep upgrades the same across agencies.

Director Takai then opened the floor for questions.

From Jagjit Khanuja: Before DIT, we could get things done (e.g., IT projects) more quickly. Now you have to go to three places to get a project approved which takes a lot of time. TT: Unfortunately, DIT was created with multiple points of entry, and communication within the organization has not been good. We are currently working to establish a single point of contact. The procurement process has taken an inordinate amount of time. Single process was supposed to handle everything from a mouse to a $3 million dollar process. A new process is currently rolling out. Each agency can purchase up to an amount they set in new process. This is being moved into the finance departments of each agency.

Teri Takai, Director, MDIT, continued

From Dan Belcher: Dan heads the team that supports CAD and engineering software. This is a very specialized area. Dan is concerned that a central helpdesk may be a problem in terms of supporting these specialized systems. TT: DIT management is looking at services to determine where it makes sense to centralize and where it does not. In this case, it may not make sense to centralize. Only want to centralize to increase leverage and provide better customer service. We will not centralize something like the helpdesk at the cost of customer service.

From Dan Belcher: Dan is concerned that customers will have to go through five levels to reach the support people who have the information they need, when everyone knows that his group is are the only ones that can provide support for these specialized services. Ms. Takai said that Dan should work this out with Doug Couto. These specialized requirements are one of the reasons that the MDOT helpdesk has not yet been centralized.

From Rick Smith: Within MDOT, business areas have developed relationships with IT people. MDOT employees in the past have known who to call when there's a problem, who has the expertise, etc. Rick is concerned that we will lose these valuable relationships that MDOT has banked on in the past. TT: That is our challenge, to maintain relationships. Teri offered both good news and bad news. The good news is that DIT is trying to create a structure where you have a single place to call. But over time it will be a different kind of interaction. The type of support that Rick described is great, but expensive. You will have someone within your agency to go to, but they may have to pull someone in from elsewhere in DIT to help fix a problem. The DIT ideal is to have a customer service focus, and an infrastructure that enables you to call the helpdesk and get same standard of service you have gotten in the past.

From Jack Benac: What is the situation regarding the use of contractors versus state employees? TT: When we have long term contractors who are a critical part of our organization, we become captive to the vendor, we are too dependent. We need to rethink whether or not to use contractor in this position. Agency IOs have been asked to submit justifications for turning contractors in critical key areas into state employees. There are about 100 of these, versus 1300 contractors. We will always have a large percentage of contracted IT professionals. We do a lot of project work which means we need a lot of people for short periods of time and then we want the people to go away. DIT would like to move toward fixed price deliverables – we are currently using mostly time and materials basis contracts. It is too easy to get sloppy about time when using time and materials. The vendor needs to be responsible for delivering something. This transition won't happen over night. We have to learn to manage these projects.

From Jody Bartilson: MDOT has worked hard to keep their IT staff on the

Teri Takai, Director, MDIT, continued	cutting edge by providing lots of training and development. Jody has heard there is a moratorium on training. TT: There is not a moratorium, but we have very little money to spend on technical training. DIT is working to make training happen within the agency when possible. It's not a good situation, but we're working with what we have. Jody indicated that she is concerned about knowledge base and technical skill levels. Ms. Takai agreed. Doug has done a good job keeping his employees trained – other agencies are not trained to the same level. DIT is trying to overcome inequalities. Jody made the point that we don't want to lower the bar at MDOT to overcome inequality. Doug Couto mentioned that the contractor conversion project also includes money for training. From Scott Thompson: Ms. Takai mentioned the meager amount of funds available for IT. Have we compared against other states to see what their agencies pay for IT services? TT: No, but we do need to make that comparison. In conclusion, Director Takai indicated that Doug Couto has done a great job, and Gloria Jeff is a champion of what IT can do for the organization.

Welcome and Introductions Revisited

PM Word of the Day

Risk: An uncertain event or condition that, if it occurs, has a positive or negative effect on a project's objectives. --PMBOK

Project Risk Management: "…systematic process of identifying, analyzing, and responding to project risk. It includes maximizing the possibility and consequences of positive events and minimizing the probability and consequences of events adverse to project objectives…" -- PMBOK

Tools

Risk Documents, Bill Schmidt, EDS

Bill talked about project risk management. He gave a brief introduction, presented a PowerPoint show, and talked about the TES document used to manage project risk. Bill's introduction included these points about risk management:

1. Our level of aversion to risk effects how we handle risk management
2. Risk has a direct impact on projects:
   - All projects will have risks
   - Not all risks will occur
   - Some risks will occur
3. If your estimate is perfect but you fail to include risk management, your project will suffer.

The PowerPoint presentation that Bill showed covered:
1. What is risk management?
2. Why do we need to manage risk?
3. How do we manage risk?

You can view the PowerPoint presentation on the PMO Web site. Go to http://interchange/oim/PMO/, then select Processes and Forms > High Level Risk Management.

Risk form

An IT Risk Management Plan is now available on the TES Web site. To access it, go to http://interchange/oim/PMO/, then select Processes and Forms > Risk Management Plan Template On the plan form you:

1. List project risks and assign them a risk value
2. Assign a risk category to each project risk
3. Identify each risk and provide details – description, impact, action plan, contingency plan, etc.

The form includes a list of risk categories, and a glossary of terms.

Targeted Items

2004 Call for Projects Update, Lynn Nichols

Lynn Nichols updated the group on the status of the 2004 Call for IT Projects:

- There are 18 new initiatives being reviewed for the 2004 IT program.
- Draft questionnaires for the initiatives will be on TES Web site soon
- There are 2 new 2003 programs being added
- There are 21 projects that will carry over from 2003 to 2004
- Lynn is working on getting sponsor and BAM approval for questionnaires
- May 29 is first ITOT meeting to review initiatives. At that meeting, the BAMS will give a high level overview of the initiatives in their area
- On June 10, the proposed 2003 IT program will be presented to Leon Hank
- A meeting has been scheduled to determine what infrastructure needs to be put in place for the new projects.

TES Update, Coleen Hines

Coleen provided an update on efforts that are underway in TES:

The new development contract may be on the 5/20 Ad Board agenda. The old contract expires July 1. Undrala is working on the transition process.

2004 IT Call for Projects – Lynn is working on QA of the questionnaires. ITOT will identify the priority of projects in program. Infrastructure issue – do we build it into projects or handle separately? MDOT has traditionally handled it separately, but other agencies include it as part of project. We don't really know how DIT will handle infrastructure costs. Scott raised the point that DIT infrastructure people should be brought in to confer during technical review.

Mainframe rehosting status – Pete updated ITOT on this project yesterday. He has compiled a list of systems on the mainframe, broken down by Bureau. Many are inactive or retired. Will either eliminate mainframe systems or move them to another platform.

EDS is sponsoring Tech Days on June 9 and 10 at the Holiday Inn South. Julie Gee and Jack Benac will be among the presenters.

John Dullock recently had an article published in the newsletter of the local PMI chapter. The article can be seen on the PMI Web site.

ESI training for project management and business analysts: Andy Esch thinks issues about these classes this will be resolved next week so we can get training again.

TES Update, Coleen Hines, continued	Kristie Cheadle is working with the DIT project portfolio team. The team is using Excel sheets to track projects statewide. All Web projects and any other project whose cost is $250,000 or more must be tracked. Kristie bases her reports on information she gets from PMSR. TES is investigating using the Rational tool set. Scott working with Rational to determine if this is feasible. TES would like to have a repository for requirements information. Most of the tools in the Rational tool set are applicable to our work. The local PMI chapter will be meeting next Tuesday (5/20) This is the last meeting of the year. The speaker is a person who was involved in the 9/11 disaster recovery. It is almost time to begin end of the fiscal year activities. There is some possibility that we will need to close out the year 30 days earlier than last year.
ASIO Update, Doug Couto	Doug has just returned from Oklahoma City, where he was attending a conference. Doug indicated that a conversation he had with Gloria Jeff revealed that she is interested in implementing wireless technology, particularly hotspot coverage along interstate highways. This would be a great support for the trucking industry. Doug will be meeting with the Finance division to talk about converting work done currently by contractors to FTE positions. He is proposing that we have 11 new FTEs, plus 9 people to replace retirees. This would include a data administrator. Doug has been working on a service level agreement between DIT and MDOT, and also on an IT strategic plan for MDOT.

Wrap-Up

June PM Status Meeting The next PM Status meeting will be on Thursday, June 19th, in the Lake Michigan room. Coffee and donuts will be available at 8:00 a.m., and the meeting will begin at 8:30 a.m.

Gloria Jeff will be speaking at the 6/19 meeting. You will have an opportunity at the meeting to ask questions. If you prefer, you can e-mail them to Kristie Cheadle in advance. Kristie will compile them and forward them to Ms. Jeff before the meeting.

Kevin Fox will not be speaking at the June meeting. His talk has been moved to the August PM Status meeting.

July and August PM Status Meetings **There will be no July meeting**

Leon Hank will speak at the August PM Status meeting. Rick Smith will also provide a presentation will be about the BOWS project. You may submit e-mail questions for either gentleman to Kristie Cheadle before the meeting.

Donuts The donuts at our meetings are being paid for by the group. Please give money to Jack, Julie, or Kristie. One of them will get the donuts before the next meeting.

Special Thanks To Jack Benac, for being the donut runner for the meeting. Thanks Jack!